

# Military & Veteran Affairs Committee

Wednesday, March 29, 2006 2:45 PM - 3:30 PM 24 HOB

### **Committee Meeting Notice HOUSE OF REPRESENTATIVES**

### Speaker Allan G. Bense

### Military & Veteran Affairs Committee

**Start Date and Time:** 

Wednesday, March 29, 2006 02:45 pm

**End Date and Time:** 

Wednesday, March 29, 2006 03:30 pm

Location:

**24 HOB** 

**Duration:** 

0.75 hrs

### Consideration of the following bill(s):

HB 1063 Regulation of Wells by Stansel HB 1065 Educational Opportunities for Children and Spouses of Deceased or Disabled Veterans and Servicemembers by Jordan

### HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #:

HB 1063

Regulation of Wells

SPONSOR(S): Stansel TIED BILLS:

IDEN./SIM. BILLS: SB 1090

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Water & Natural Resources Committee 2) Military & Veteran Affairs Committee 3) Agriculture & Environment Appropriations Committee 4) State Resources Council 5)	8 Y, 0 N	Lotspeich  Maring	Lotspeich Cutchins

### **SUMMARY ANALYSIS**

The bill addresses several issues relating to water well contractors. Specifically, the bill:

- Amends the water well contractor licensure requirements of s. 373.323, F.S., to allow a licensed
  water well contractor to act as a *prime* contractor if the majority of the work to be performed
  under a contract is within the scope of the water well contractor's license.
- Amends the license renewal provisions of s. 373.324, F.S., to require that the continuing education requirements for a license renewal be waived if the contractor has obtained his first license within 180 days before the end of the biennial licensing cycle.
- Provides that the license of any water well contractor who is serving on active duty as a
  member of the U.S. Armed Forces shall be kept in an active-license status as long as the
  contractor is an active-duty member of the U.S. Armed Forces and for a period of 6 months
  after discharge from active-duty status.
- Requires the DEP to adopt rules that would exempt from the license renewal requirements any licensed water well contractor who is a spouse of active-duty member of the U.S. Armed Forces when the family is required to relocate out of state due to an active-duty assignment.
- Imposes a fine up to \$5,000 on persons who drill water wells without a license.

The bill does not appear to have a fiscal impact on the state or local governments.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives. STORAGE NAME: h1063b.MVA.doc

DATE:

3/27/2006

### I. SUBSTANTIVE ANALYSIS

### A. HOUSE PRINCIPLES ANALYSIS:

Ensure lower taxes – This bill allows certain well water contractor licensees to avoid paying late fees and penalties associated with license renewal under certain circumstances.

### B. EFFECT OF PROPOSED CHANGES:

### **Present Situation**

### Current Law

### Water Well Contractor License

Part III of Chapter 373, F.S., currently regulates the construction, repair, and abandonment of water wells. Pursuant to s. 373.302, F.S., the Legislature has found that "the practice of constructing, repairing, and abandoning water wells, if conducted by incompetent contractors, is potentially threatening to the health of the public and to the environment." Accordingly, s. 373.306, F.S., prohibits the construction, repair or abandonment of a water well which is inconsistent with Part III of Chapter 373, F.S.

A permit is required for the construction, repair, or abandonment of any water well. In addition, anyone who wants to engage in business as a water well contractor must be licensed by the water management district. The licensure requirements for water well contractors are set forth in s. 373.323, F.S. In addition, the Department of Environmental Protection (DEP) has adopted rules that set forth the requirements for water well contractor licensure. An applicant for a water well contractor license must submit an application to the water management district. The applicant must be at least 18 years of age and have a minimum of two years experience in the construction, repair, and abandonment of water wells. The applicant is required to take and pass an examination which has been prepared by the DEP. The examination is required to test: (1) the applicant's knowledge of rules and regulations of Part III of Chapter 373, F.S., (2) the applicant's ability to construct, repair, and abandon water wells, and (3) the applicant's ability to supervise, direct, manage, and control the contracting activities of a water well contracting business. The water management district is required to issue a water well contractor license to any qualified applicant who passes the examination, pays the required application fee, and who completes at least 12 hours of approved course work.

### Renewals

Section 373.324, F.S., addresses issues relating to the renewal of water well contractor licenses. The DEP has adopted rules establishing a procedure for the biennial review of all licenses, and each water management district has incorporated the DEP rules by reference. The renewal requires the submittal of an application for renewal and proof of the completion of 12 classroom hours of continuing education during the biennial cycle. Any license not renewed at the end of the biennial cycle automatically reverts to an inactive status. Such inactive licenses can be reactivated only by meeting the requirements of s. 373.325, F.S., which require the payment of renewal and penalty fees. A license that has been inactive for more than one year can be reactivated only by applying for licensure under the provisions of s. 373.323, F.S.

<sup>&</sup>lt;sup>1</sup> s. 373.313, F.S.

Rule 62-531, Florida Administrative Code

<sup>&</sup>lt;sup>3</sup> s. 373.323(3), F.S.

<sup>&</sup>lt;sup>4</sup> s. 373.323(4), F.S.

<sup>&</sup>lt;sup>5</sup> s. 373.323(5), F.S.

<sup>&</sup>lt;sup>6</sup> Rule 62-531.330, Florida Administrative Code

### **Penalties**

Under s. 373.336, F.S., it is unlawful for any person to practice water well contracting without an active license. Any person found to be in violation of this provision is guilty of a misdemeanor of the second degree punishable as provided in s. 775.082 or s. 775.083, F.S.

### **Effect of Proposed Changes**

### Water Well Contractor

The bill amends the water well contractor licensure requirements of s. 373.323, F.S., to allow a licensed water well contractor to act as a <u>prime</u> contractor if the majority of the work to be performed under a contract is within the scope of the water well contractor's license. In such a situation, the licensed water well contractor may contract with another water well contractor for the remaining work or he may contract with another contractor for work that does not require a water well contracting license.

### License Renewal

According to statute, it appears a license can be in one of three states: active, inactive, and expired. An active license is a license that is issued to a licensee that has completed all tests (in the case of a new or initial license) or continuing education (in the case of a renewal), and has paid all associated fees. A licensee that misses the deadline for continuing education and renewal fees will have a license that lapses into inactive status. The licensee in that case may still convert their license to active status after meeting regular renewal requirements and paying all associated fees, to include penalties and late fees.

However, if a license remains on inactive status for too long, it will expire. The licensee in that situation will need to reapply for a new license and pay the non-refundable application fee, as well as take the tests again required for an initial or new license.

The bill amends the license renewal provisions of s. 373.324, F.S., to require that the continuing education requirements for a license renewal be waived if the contractor has obtained his first license within 180 days before the end of the biennial licensing cycle.

The bill provides that the license of any water well contractor who is serving on active duty as a member of the U.S. Armed Forces shall be kept in an active-license status as long as the contractor is an active-duty member of the U.S. Armed Forces and for a period of 6 months after discharge from active-duty status.

The bill requires the DEP to adopt rules that would exempt from the license renewal requirements any licensed water well contractor who is a spouse of active-duty member of the U.S. Armed Forces when the family is required to relocate out of state due to an active-duty assignment.

### Penalties

In addition to the penalties currently provided in s. 373.336, F.S., the bill imposes a fine up to \$5,000 on persons who drill water wells without a license. The policies and procedures for the enforcement of such fines are to be established by the DEP.

### C. SECTION DIRECTORY:

3/27/2006

- Section 1. Amends s. 373.323, F.S., to provide that a licensed water well contractor may act as a prime contractor.
- Section 2. Amends s. 373.324, F.S., to address provisions relating to renewal of licenses for water well contractors.
- Section 3 Amends s. 373.333, F.S., to provide penalties for persons drilling wells without a license.

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### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues: None

2. Expenditures: None

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues: None

2. Expenditures: None

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

### D. FISCAL COMMENTS:

None

### III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable, because this bill does not appear to: require the counties or cities to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None

### B. RULE-MAKING AUTHORITY:

The bill requires the Department of Environmental Protection to adopt changes to current rules that require that the continuing education requirements for a license renewal be waived if the contractor obtains his first license within 180 days before the end of the biennial licensing cycle.

The bill also requires DEP to adopt rules that would exempt from the license renewal requirements any licensed water well contractor who is a spouse of an active-duty member of the U.S. Armed Forces when the family is required to relocate out of state due to an active-duty assignment.

### C. DRAFTING ISSUES OR OTHER COMMENTS:

The bill provides that a licensed water well contractor may act as a "prime contractor" if the majority of the work to be performed under a contract is within the scope of the water well contractor's license. The bill does not provide a definition of "prime contractor," nor is there a definition of this term found in any other section of the Florida Statutes. Under Chapter 489, F.S., construction contracting is

STORAGE NAME: DATE:

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regulated by the Department of Business and Professional Regulation. The term "general contractor" is defined in s. 489 (3)(a), F.S., as "a contractor whose services are unlimited as to the type of work which he or she may do, who may contract for any activity requiring licensure under this part, and who may perform any work requiring licensure under this part, except as otherwise expressly provided in s. 489.113."

Allowing a water well contractor to act as a "prime contractor" may result in conflicts with the provisions of Chapter 489, F.S., relating to the licensing of general contractors.

### IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

None

A bill to be entitled 1 An act relating to regulation of wells; amending s. 2 373.323, F.S.; authorizing licensed water well contractors 3 to act as prime contractors for certain work and to 4 contract with other contractors; amending s. 373.324, 5 F.S.; requiring the Department of Environmental Protection 6 to include the renewal fee in its license-renewal method 7 prescribed by rule; waiving continuing education 8 requirements for license renewal of certain water well 9 contractors; providing exemptions from continuing 10 education requirements for water well contractors on 11 active military duty; requiring the department to adopt 12 rules exempting the spouses of active-duty military 13 personnel from license renewal requirements under certain 14 circumstances; amending s. 373.333, F.S.; increasing the 15 amount of the administrative fine a water management 16 district may impose for certain water well contracting 17 violations; amending s. 373.336, F.S.; providing fines for 18 persons or entities drilling a water well without a 19 license or contracting with unlicensed water well 20 contractors for water well services; requiring the 21 department to establish policies and procedures for the 22 enforcement of such fines; providing an effective date. 23 24 Be It Enacted by the Legislature of the State of Florida: 25 26 Subsection (11) is added to section 373.323, 27

Page 1 of 4

CODING: Words stricken are deletions; words underlined are additions.

Florida Statutes, to read:

373.323 Licensure of water well contractors; application, qualifications, and examinations; equipment identification.--

- (11) A licensed water well contractor may act as a prime contractor if the majority of work to be performed under the contract is within the scope of his or her license. A licensed water well contractor may contract with another licensed water well contractor for the remaining work or with another contractor for which a water well contracting license is not required.
- Section 2. Subsection (3) of section 373.324, Florida Statutes, is amended, and subsections (7) and (8) are added to that section, to read:

373.324 License renewal.--

- (3) The department shall prescribe by rule the method for renewal of a license, which shall include continuing education requirements of not less than 12 classroom hours for each renewal cycle as well as a renewal fee. However, if a water well contractor has received his or her first license within 180 days before the end of the license biennium, the continuing education requirements shall be waived for the licensee's first renewal cycle.
- (7) Notwithstanding the renewal requirements of subsection (3), any water well contractor who is serving on active duty as a member of the Armed Forces of the United States who, at the time of becoming an active-duty member, had an active water well contractor license issued under this part and was entitled to practice or engage in water well contracting in this state shall be kept in active-license status, without registering, paying

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fees, or fulfilling the continuing education requirements, as
long as he or she is an active-duty member of the Armed Forces
of the United States and for a period of 6 months after
discharge from active-duty status, provided he or she is not
engaged in water well contracting in the private sector for
profit.

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- (8) The department shall adopt rules exempting the spouses of active-duty members of the Armed Forces of the United States from licensure renewal provisions when the family must relocate out of state due to active-duty assignment.
- Section 3. Paragraph (c) of subsection (5) of section 373.333, Florida Statutes, is amended to read:
- 373.333 Disciplinary guidelines; adoption and enforcement; license suspension or revocation.--
- (5) When the water management district finds a person guilty of any of the grounds set forth in subsection (4), it may enter an order imposing one or more of the following disciplinary actions:
- (c) Imposition of an administrative fine not to exceed  $$5,000 $\frac{1,000}{100}$ for each count or separate offense.$
- Section 4. Subsection (4) is added to section 373.336, Florida Statutes, to read:
  - 373.336 Unlawful acts; penalties.--
- (4) Persons or entities drilling a water well without a license or contracting with an unlicensed water well contractor for water well services shall be subject to a fine of up to \$5,000 for each violation. Policies and procedures for the

enforcement of such fines shall be established by the department.

Section 5. This act shall take effect July 1, 2006.

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### HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

	Bill No. 1063				
	COUNCIL/COMMITTEE ACTION				
	ADOPTED (Y/N)				
	ADOPTED AS AMENDED (Y/N)				
	ADOPTED W/O OBJECTION (Y/N)				
	FAILED TO ADOPT (Y/N)				
	WITHDRAWN (Y/N)				
	OTHER				
1	Council/Committee hearing bill: Military & Veteran Affairs				
2	Representative(s) Stansel offered the following:				
3					
4					
5	Remove line(s) 31 thru 37 and insert:				
6	(11) A licensed well water contractor may facilitate the				
7	performance of additional work by an appropriately licensed				
8	contractor that is incidental to the construction, repair, or				
9	abandonment of a water well. For purposes of this subsection,				
10	"incidental" work is limited to the electrical connection of a				
11	pump, connecting a well to a residential dwelling, constructing				
12	a pump house or pump vault of 100 square feet or less,				
13	constructing a non-structural well slab of 100 square feet or				
14	less, fencing, and landscaping. Nothing in this part shall				
15	authorize a licensed water well contractor to perform any				
16	services or work for which a license under ch. 489 is required.				
17					
18	========= T I T L E A M E N D M E N T =========				
19	Remove line(s) 4 thru 5 and insert:				
20	to facilitate performance of additional work incidental to				
21	construction, repair, or abandonment of a water well;				

### HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES Amendment No. (for drafter's use only)

providing a definition of "incidental"; amending s. 373.324,

### HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES Amendment No. (for drafter's use only)

			Bill No.	1063
	COUNCIL/COMMITTEE	ACTION		
	ADOPTED	(Y/N)		
	ADOPTED AS AMENDED	(Y/N)		
	ADOPTED W/O OBJECTION	(Y/N)		
	FAILED TO ADOPT	(Y/N)		
	WITHDRAWN	(Y/N)		
	OTHER			
l				

Council/Committee hearing bill: Military & Veteran Affairs Representative(s) Stansel offered the following:

### Amendment (with title amendment)

Remove line(s) 50 thru 66 and insert:

(7) Notwithstanding the renewal requirements of subsection (3) and notwithstanding 250.4815 for members of the Florida National Guard and the United States Armed Forces Reserves, any active water well contractor license issued under this part to a servicemember as defined in s. 250.01 or his or her spouse, both of whom reside in Florida, shall not become inactive while the servicemember is serving on military orders, which take him or her over 35 miles from his or her residence, and shall be considered an active license for up to 180 days after the servicemember returns to his or her Florida residence. If the license renewal requirements are met within the 180-day extension period, the servicemember or his or her spouse shall not be charged any additional costs, such as, but not limited to, late fees or delinquency fees, above the normal license fees. Nothing in this subsection shall be construed to waive renewal requirements such as registering, continuing education,

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### HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

and all associated fees. The servicemember must present to the water management district issuing the license a copy of his or her official military orders or a written verification from the member's commanding officer before the end of the 180-day period in order to qualify for the extension. The extension granted in this subsection shall be waived in the event the licensee engages in for profit water well contracting in the private sector during the 180-day extension period, prior to completing all renewal requirements.

32 ====== T I T L E A M E N D M E N T =======

Remove line(s) 10 thru 15 and insert:

contractors; providing water well contractor license extensions for certain servicemembers and their spouses under certain circumstances; providing that servicemembers must present documentation within 180 days in order to receive extension; providing waiver of extension under certain circumstances; amending s. 373.333, F.S.; increasing the

### HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

.			Bill No.	1063
	COUNCIL/COMMITTEE	ACTION		
	ADOPTED ·	(Y/N)		
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	ADOPTED W/O OBJECTION	(Y/N)		
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	WITHDRAWN	(Y/N)		
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7	performance of addition	aal work by an appropriatel	y licensed	
8	contractor that is inci	dental to the construction	, repair, c	or_
9	abandonment of a water	well. For purposes of this	subsection	1 <u>,</u>
10	"incidental" work is li	mited to the electrical co	nnection of	<u>a</u>
11	pump, connecting a well	to a residential dwelling	, construct	ing
12	a pump house or pump va	ult of 100 square feet or	less,	
13	constructing a non-stru	actural well slab of 100 sq	uare feet o	<u>or</u>
14	less, fencing, and land	scaping. Nothing in this p	art shall	
15	authorize a licensed wa	ter well contractor to per	form any	
16	services or work for wh	nich a license under ch. 48	9 is requir	red.
17				
18	===== T I T	L E A M E N D M E N T ====	======	
19	Remove line(s) 4 t	hru 5 and insert:		
20	to facilitate perf	formance of additional work	incidental	. to
21	construction, repa	ir, or abandonment of a wa	ter well;	

## HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES Amendment No. (for drafter's use only)

providing a definition of "incidental"; amending s. 373.324,

### HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

COUNCIL/COMMITTEE ACTION

ADOPTED \_\_ (Y/N)

ADOPTED AS AMENDED \_\_ (Y/N)

ADOPTED W/O OBJECTION \_\_ (Y/N)

FAILED TO ADOPT \_\_ (Y/N)

WITHDRAWN \_\_ (Y/N)

OTHER

Council/Committee hearing bill: Military & Veteran Affairs Representative(s) Stansel offered the following:

### Amendment (with title amendment)

Remove line(s) 50 thru 66 and insert:

(7) Notwithstanding the renewal requirements of subsection (3) and notwithstanding 250.4815 for members of the Florida National Guard and the United States Armed Forces Reserves, any active water well contractor license issued under this part to a servicemember as defined in s. 250.01 or his or her spouse, both of whom reside in Florida, shall not become inactive while the servicemember is serving on military orders, which take him or her over 35 miles from his or her residence, and shall be considered an active license for up to 180 days after the servicemember returns to his or her Florida residence. If the license renewal requirements are met within the 180-day extension period, the servicemember or his or her spouse shall not be charged any additional costs, such as, but not limited to, late fees or delinquency fees, above the normal license fees. Nothing in this subsection shall be construed to waive renewal requirements such as registering, continuing education,

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### HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES Amendment No. (for drafter's use only)

and all associated fees. The servicemember must present to the water management district issuing the license a copy of his or her official military orders or a written verification from the member's commanding officer before the end of the 180-day period in order to qualify for the extension. The extension granted in this subsection shall be waived in the event the licensee engages in for profit water well contracting in the private sector during the 180-day extension period, prior to completing all renewal requirements.

 ======== T I T L E A M E N D M E N T =========

Remove line(s) 10 thru 15 and insert:

contractors; providing water well contractor license
extensions for certain servicemembers and their spouses
under certain circumstances; providing that servicemembers
must present documentation within 180 days in order to
receive extension; providing waiver of extension under
certain circumstances; amending s. 373.333, F.S.;
increasing the

### HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1065

Educational Opportunities for Children and Spouses of Deceased or

Disabled Veterans and Servicemembers

SPONSOR(S): Jordan

**TIED BILLS:** 

IDEN./SIM. BILLS: SB 2034

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Community Colleges & Workforce Committee	6 Y, 0 N	Thomas	Ashworth
2) Military & Veteran Affairs Committee		Marino	Cutekins
3) Education Appropriations Committee			
4) Education Council	<u> </u>	/	
5)		<del>-</del>	

### **SUMMARY ANALYSIS**

House Bill 1065 provides educational opportunity for spouses of deceased or certain disabled service members with the following requirements:

- An unremarried spouse of a deceased servicemember qualifies if:
  - spouse and servicemember were residents of the state for 1 year preceding the servicemember's death; and
  - o unremarried spouse applies to use the benefit within 5 years after the servicemember's death.
- A dependent spouse of a disabled servicemember qualifies:
  - o if married to the servicemember for 1 year; and
  - if spouse and servicemember were residents of the state for 1 year preceding the occurrence of the servicemember's disability and the disability is a service-connected 100-percent permanent and total disability as determined by the United States Department of Veterans Affairs or its predecessors; and
  - o only during the duration of the marriage and up to the point of termination of the marriage by dissolution or annulment.

HB 1065 provides that the funds appropriated for this provision may only be used for tuition and registration fees at state-supported institutions of higher learning, including community colleges and career centers.

The effective date provided is July 1, 2006.

The fiscal impact of HB 1065 is undetermined. Please see "Fiscal Comments" for further information.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME:

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DATE:

3/27/2006

### **FULL ANALYSIS**

### I. SUBSTANTIVE ANALYSIS

### A. HOUSE PRINCIPLES ANALYSIS:

**Empower families** – The bill allows educational opportunity for spouses of deceased or certain disabled servicemembers.

### B. EFFECT OF PROPOSED CHANGES:

### **Present Situation**

### Scholarships for Children of Deceased or Disabled Veterans

Section 295.01, F.S., provides educational opportunity at state expense for children of a member of the U.S. Armed Forces if the military member entered the Armed Forces while a resident of Florida and died from service-related injuries, disease, or disability while on active-duty or was determined by the U.S. Department of Veterans Affairs to have a 100-percent permanent and total service-related disability. In addition, the parents must have been residents of Florida for one year preceding the death or occurrence of such disability.

In 2004, 157 students qualified and took advantage of this program, up from 151 in 2003. The chart below tracks the program's appropriations and cost, and the number of participating students over the last few years<sup>1</sup>.

Year	Students Awarded	Average Award*	<b>Expended Funds</b>	Appropriations
1999-00	142	\$1,513	\$214,861	\$333,250
2000-01	158	\$1,590	\$251,191	\$333,250
2001-02	168	\$1,768	\$297,062	\$333,250
2002-03	151	\$1,961	\$296,130	\$333,250
2003-04	157	\$2,053	\$322,294	\$333,250

<sup>\*</sup> The maximum award differs per student as it is equal to the tuition and fees at a public postsecondary institution.

### Student Eligibility for Children of Deceased or Disabled Veterans

Eligible students are required to:

- Submit a completed Florida Financial Aid Application for students by April 1.
- Be a dependent child between the ages of 16 years and 22 years of a Florida qualified veteran by the Florida Department of Veterans' Affairs.
- Meet Florida's general eligibility requirements.
- Be enrolled in an undergraduate degree or certificated program.
- Be enrolled for a minimum of six credit hours, 180 clock hours, or the equivalent, per term at an eligible postsecondary institution.
- Not be in default on any federal Title IV or state student loan program unless satisfactory arrangements to repay have been made.
- Not have previously received a bachelor's degree.

<sup>&</sup>lt;sup>1</sup> Office of Student Financial Assistance, Florida Department of Education, "2003-04 Annual Report to the Commissioner," November 2004, page 19.

### Federal Law:

Under current federal legislation, U. S. Department of Veterans Affairs education benefits are available to qualifying spouses and children of veterans who died of a service-connected disability.

Benefits include payment of a monthly education or training allowance and may be awarded for pursuit of associate, bachelor, or graduate degrees at colleges and universities, including independent study, cooperative training and study abroad programs. Funds may be used to cover more than tuition and books.

Courses leading to a certificate or diploma from business, technical or vocational schools also may be taken.

Effective Oct. 1, 2004, the rate of compensation is \$803 a month for full-time school attendance, with lesser amounts for part-time training. A person may receive educational assistance for full-time training for up to 45 months or the equivalent in part-time training.

Payments to a spouse end 10 years from the date the individual is found eligible or from the date of the death of the veteran. Children generally must be between the ages of 18 and 26 to receive education benefits, though extensions may be granted.

### **Effect of Proposed Changes:**

House Bill 1065 provides educational opportunity for spouses of deceased or certain disabled service members with the following requirements:

- An unremarried spouse of a deceased servicemember qualifies if:
  - spouse and servicemember were residents of the state for 1 year preceding the servicemember's death; and
  - unremarried spouse applies to use the benefit within 5 years after the servicemember's death.
- A dependent spouse of a disabled servicemember qualifies:
  - o if married to the servicemember for 1 year; and
  - if spouse and servicemember were residents of the state for 1 year preceding the occurrence of the servicemember's disability and the disability is a service-connected 100-percent permanent and total disability as determined by the United States Department of Veterans Affairs or its predecessors; and
  - o only during the duration of the marriage and up to the point of termination of the marriage by dissolution or annulment.

HB 1065 provides that the funds appropriated for this provision may only be used for tuition and registration fees at state-supported institutions of higher learning, including community colleges and career centers.

### C. SECTION DIRECTORY:

- Section 1. Amends s. 295.01, F.S.; providing that it is the declared policy of the state to provide educational opportunity at state expense for spouses of deceased or certain disabled servicemembers; providing criteria for qualification for such benefits for unremarried spouses of deceased servicemembers and dependent spouses of certain disabled servicemembers; specifying uses of funds appropriated for such educational opportunities.
- Section 2. Amends s. 295.03, F.S.; relating to withdrawal of benefits upon failure to comply with minimum educational requirements; revising terminology.
- Section 3. Amends s. 295.05, F.S.; relating to enrollment as a prerequisite to receipt of benefits; revising terminology.

#### Providing an effective date of July 1, 2006. Section 4.

### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

The fiscal impact on state government expenditures is indeterminate. It is unknown how many students would be eligible and apply for this benefit. See Fiscal Comments.

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS:
  - Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

### D. FISCAL COMMENTS:

The Department of Education states that for the 2004-05 academic year, 149 students were funded an average award of \$2,105 from an appropriation of \$313,691. The current year appropriation for Children of Deceased or Disabled Veterans is \$383,250, and there are a projected 170 students to be funded.

Using the actual 2004-05 data and assuming that each of the 149 eligible awardees has a parent who is also eligible, the minimum anticipated impact would be 298 participating (149 children and 149 spouses).

Doubling the current year projection of 170 participants would result in a projected new population of 340. No data is available on the number of spouses without children who might also be eligible.

The budget necessary to fund 298 eligible applicants at the 2004-05 average award would be \$627,290; to fund 340 applicants at the same average award would be \$715,700.

It is unknown how many 100-percent permanently and totally disabled veterans entered the military in Florida, were residents for one year preceding disability, or were married at the time of their disability.

### III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. This bill does not reduce the percentage of a state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenues.

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2. Other:

None

B. RULE-MAKING AUTHORITY:

The State Board of Education currently has rulemaking authority regarding this issue under s. 295.01, F.S.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

None.

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A bill to be entitled

An act relating to educational opportunities for children and spouses of deceased or disabled veterans and servicemembers; amending s. 295.01, F.S.; providing that it is the declared policy of the state to provide educational opportunity at state expense for spouses of deceased or disabled servicemembers; providing criteria for qualification for such benefits for unremarried spouses of deceased servicemembers and dependent spouses of disabled servicemembers; specifying uses of funds appropriated for such educational opportunities; amending s. 295.03, F.S., relating to withdrawal of benefits upon failure to comply with minimum educational requirements; revising terminology; amending s. 295.05, F.S., relating to enrollment as a prerequisite to receipt of benefits; revising terminology; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Section 295.01, Florida Statutes, is amended to read:

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295.01 Children of deceased or disabled veterans; spouses of deceased or disabled servicemembers; education .--

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It is hereby declared to be the policy of the state to provide educational opportunity at state expense for dependent children either of whose parents entered the Armed Forces and:

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Died as a result of service-connected injuries, disease, or disability sustained while on active duty; or

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(b) Has been:

- 1. Determined by the United States Department of Veterans Affairs or its predecessor to have a service-connected 100-percent total and permanent disability rating for compensation;
- 2. Determined to have a service-connected total and permanent disability rating of 100 percent and is in receipt of disability retirement pay from any branch of the United States Armed Services; or
- 3. Issued a valid identification card by the Department of Veterans' Affairs in accordance with s. 295.17,

when the parents of such children have been bona fide residents of the state for 1 year immediately preceding the death or occurrence of such disability, and subject to the rules, restrictions, and limitations set forth in this section.

- (2) It is also the declared policy of the state to provide educational opportunity at state expense for spouses of deceased or disabled servicemembers.
- (a) The unremarried spouse of a deceased servicemember, as defined in s. 250.01, qualifies for the benefits under this section:
- 1. If the servicemember and his or her spouse had been residents of the state for 1 year immediately preceding the servicemember's death and the servicemember's death occurred under the circumstances provided in subsection (1); and
- 2. If the unremarried spouse applies to use the benefit within 5 years after the servicemember's death.

(b) The dependent spouse of a disabled servicemember, as defined in s. 250.01, qualifies for the benefits under this section:

- 1. If the servicemember and his or her spouse have been married to each other for 1 year; and
- 2. If the servicemember and his or her spouse have been residents of the state for 1 year immediately preceding the occurrence of the servicemember's disability and the disability meets the criteria set forth in subsection (1); and
- 3. Only during the duration of the marriage and up to the point of termination of the marriage by dissolution or annulment.

- Notwithstanding s. 295.02, funds appropriated to carry out the provisions of this subsection may only be used for tuition and registration fees at state-supported institutions of higher learning, including community colleges and career centers. All rules, restrictions, and limitations set forth in this section shall apply.
- (3)(2) Sections 295.03, 295.04, 295.05, and 1009.40 shall apply.
- $\underline{(4)}$  (3) The State Board of Education shall adopt rules for administering this section.
- Section 2. Section 295.03, Florida Statutes, is amended to read:
- 295.03 Minimum requirements.--Upon failure of any student child benefited by the provisions of this chapter to comply with the ordinary and minimum requirements of the institution

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attended, both as to discipline and scholarship, the benefits thereof shall be withdrawn as to the <u>student</u> child and no further moneys expended for his or her benefits so long as such failure or delinquency continues.

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Section 3. Section 295.05, Florida Statutes, is amended to read:

295.05 Admission; enrollment.--Eligibility for admission is not affected by this chapter, but all <u>students</u> children receiving benefits under this chapter shall be enrolled according to the customary rules and requirements of the institution attended.

Section 4. This act shall take effect July 1, 2006.

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